GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:2114
ANSWERED ON:27.08.2007
REVIEW IN TELECOM TARIFFS
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government proposes to review the existing Telecom tariffs in the country;

(b) if so, the details in this regard;

(c) whether there has difference of opinion between the Government and the service providers to extend benefit of lowering ADC with consumers;

(d) if so, the details thereof; and

(e) the steps taken/being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) & (b) Tariffs for telecom service in the country are governed by the frame work laid down in the Telecommunication Tariff Order, 1999 as amended from time to time. As per the existing provisions of TTO, tariff for telecom services are under forbearance except with regard to Fixed Line service in Rural Areas, National Roaming Service in Cellular Mobile Service and Leased Line Service.

As of now, proposal to review the existing telecom tariff in the country does not exist.

(c) to (e) As regards the benefit of reduction in ADC being passed to the consumers the explanatory memorandum to IUC Regulations, 2007 contains an appeal by the Telecom Regulatory Authority that the reduction in ADC amount resulting from the said Regulation would be passed on by the Telecom Service Providers to the consumers. Though there is no direct and fine tuned nexus between reduced ADC and tariff but the impact is noticeable in terms of declining tariff trends in few services.